GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA

UNSTARRED QUESTION NO:5285
ANSWERED ON:14.05.2007
MSP FOR SUGARCANE AND COTTON
Siddeswara Shri Gowdar Mallikarjunappa

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government has initiated any steps to change the Minimum Support Price of Sugarcane and Cotton;

(b) if so, the details thereof;

(c) whether the Government has any new scheme to provide soft loans to the sugarcane and cotton farmers;

(d) if so, the details thereof; and

(e) the other steps taken/proposed to be taken to solve the problems of the said farmers?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA)

(a) & (b): Statutory Minimum Price (SMP) of sugarcane for 2007-08 season was announced in December, 2006 and Minimum Support Price (MSP) of cotton for 2006-07 season was announced in July, 2006.There is no proposal to revise them.

(c) & (d): As per Budget speech (2007-2008), the two percent subvention scheme for short term crop loans would continue in 2007-08.

(e): A special plan is under implementation over a period of three years in 31 especially distressed districts in the four States of the country involving an amount of Rs.16,978.69 crore.

Sugar factories are given concessional loans from the Sugar Development Fund (SDF) in order to extend loan assistance to the farmers for development of sugarcane in the area of the factory, for improvement of seed variety, rearing of seed nursery, ratoon management.

Besides, effective Kharif 2006-07, the Government has provided for crop loans upto a principal amount of Rs. 3 lakh at 7% rate of interest.